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Attorneys for Defendants
 TIMOTHY C. DRAPER and DRAPER ASSOCIATES V
 CRYPTO LLC

UNITED STATES DISTRICT COURT
 FOR THE NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION

GGCC, an Illinois Limited Liability
 Company, Individually and on Behalf of All
 Others Similarly Situated,

Plaintiffs,

v.

DYNAMIC LEDGER SOLUTIONS, INC., a
 Delaware Corporation, TEZOS STIFTUNG, a
 Swiss Foundation, KATHLEEN
 BREITMAN, an Individual, and ARTHUR
 BREITMAN, an Individual,

Defendants.

Case No. 3:17-cv-06779-RS

**MEMORANDUM OF TIMOTHY C.
 DRAPER AND DRAPER ASSOCIATES V
 CRYPTO LLC IN SUPPORT OF MOTION
 TO CONSOLIDATE ALL RELATED
 CASES**

Date: March 1, 2018
Time: 1:30 pm
Courtroom: 3, 17th Floor
Judge: Hon. Richard Seeborg

ANDREW OKUSKO, individually and on
 behalf of all others similarly situated,

Plaintiff,

vs.

DYNAMIC LEDGER SOLUTIONS, INC.,
 THE TEZOS FOUNDATION, KATHLEEN
 BREITMAN, ARTHUR BREITMAN, and
 TIMOTHY DRAPER,

Defendants.

Case No. 3:17-cv-06829-RS

ANDREW BAKER, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

DYNAMIC LEDGER SOLUTIONS, INC., a
Delaware corporation, TEZOS STIFTUNG, a
Swiss Foundation, KATHLEEN
BREITMAN, an Individual, ARTHUR
BREITMAN, an Individual, STRANGE
BREW STRATEGIES, LLC, a California
limited liability company, and DOES 1
through 100 inclusive,

Defendants.

Case No. 3:17-cv-06850-RS

BRUCE MACDONALD, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

DYNAMIC LEDGER SOLUTIONS, INC., a
Delaware corporation, TEZOS STIFTUNG, a
Swiss Foundation, KATHLEEN
BREITMAN, an Individual, ARTHUR
BREITMAN, an Individual, TIMOTHY
COOK DRAPER, an Individual, DRAPER
ASSOCIATES, JOHANN GEVERS, an
Individual, DIEGO PONZ, an Individual,
GUIDO SCHITZKRUMMACHER,
BITCOIN SUISSE AG, NIKLAS
NIKOLAJSEN, and DOES 1-100 inclusive,

Defendants.

Case No. 3:17-cv-07095-RS

Several proposed lead plaintiffs in the four above-captioned, related securities class actions¹ have moved to consolidate some or all of the Related Cases (the “Consolidation Motions”). Draper Associates V Crypto LLC and Timothy C. Draper (the “Draper Defendants”) are defendants in two of the Related Actions - the Okusko Action and the MacDonald Action.² The Draper Defendants do not oppose the Consolidation Motions to the extent that they seek to consolidate *all four* of the Related Actions, including the MacDonald Action.³ Consolidation of less than all of the Related Actions would result in gross inefficiencies and unnecessary expense. See *Casden v. HPL Techs., Inc.*, No. C-02-3510 VRW, 2003 WL 27164914, at *1-2 (N.D. Cal. Sept. 29, 2003)) (consolidating securities fraud cases “to relieve the parties . . . of the burdens associated with participating in duplicative litigation” and to “minimize[] the expenditure of time and money”); and *In re Reserve Fund Sec. & Derivative Litig.*, No. 08 CIV. 8060 PGG, 2009 WL 10467937, at *1-2 (S.D.N.Y. Aug. 26, 2009) (consolidating PSLRA and non-PSLRA cases involving “the same core set of operative facts” in order to “reduc[e] costs”). The Draper

¹ The actions are: *GGCC, LLC v. Dynamic Ledger Solutions, Inc., et al.* (U.S.D.C. N.D. Cal Case No. 17-cv-06779-RS) (the “GGCC Action”); *Okusko v. Dynamic Ledger Solutions, Inc., et al.* (U.S.D.C. N.D. Cal Case No. 17-cv-06829-RS) (the “Okusko Action”); *Baker v. Dynamic Ledger Solutions, Inc., et al.* (U.S.D.C. N.D. Cal Case No. 17-cv-068505-RS) (the “Baker Action”); and *MacDonald v. Dynamic Ledger Solutions, Inc., et al.* (U.S.D.C. N.D. Cal Case No. 17-cv-07095-RS) (the “MacDonald Action”) (collectively, the “Related Cases”).

² Neither the Complaint in the Okusko Action nor the Complaint in the MacDonald Action states a viable claim against either of the Draper Defendants. Draper Associates V Crypto LLC is merely a 10% shareholder in Dynamic Ledger Solutions, Inc. (“DLS”) and owns no interest in the Tezos Foundation. Mr. Draper is not an officer or director of either DLS or the Foundation. No plaintiff has alleged or could allege any specific facts that give rise to an inference that either Draper Defendant had the power to control DLS or the Foundation. In short, neither Draper Defendant is properly alleged to be a control person under section 15(a) of the Securities Act of 1933 or to qualify as one of the category of persons listed in California Corporations Code Section 25504 who may have collateral liability for a violation of California securities law. The Draper Defendants intend to a file motion to dismiss after the filing of a consolidated amended complaint.

³ The motion of Nicolas Andreasson, Paul Martin and Richard Reckenbeil (GGCC Action Doc. # 49-1) seeks consolidation of all four Related Actions. The motion of David Lang, Ryan Coffey and Alejandro R. Gaviria (GGCC Action Doc. # 38) seeks consolidation of all of the Related Actions other than the Baker Action based on the fact that the Baker Action was then subject to a pending motion to remand. (See GGCC Action Doc. # 38 at p. 4:9-18 and fn 3.) Now that the Court has denied the remand motion without prejudice and stayed the Baker Action (Baker Action, Doc. # 18), there is no legitimate basis to oppose consolidation of the Baker Action with the other three Related Actions. The motion of GGCC, LLC, Pumaro, LLC and Nick Anthony (GGCC Action Doc. # 53) and the motion of Trigon Trading Pty. Ltd. (GGCC Action Doc. # 55) seek consolidation of all of the Related Actions other than the MacDonald Action.

1 Defendants take no position on the other issues raised by the Consolidation Motions, including
2 the appointment of lead plaintiff or lead counsel.

3 Dated: February 9, 2018

MANATT, PHELPS & PHILLIPS, LLP

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5 By: /s/ Christopher L. Wanger

Christopher L. Wanger
Attorneys for Defendants TIMOTHY C.
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7 CRYPTO LLC
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